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## FISCAL IMPACT REPORT



SPONSOR: Campos DATE TYPED: 2/07/02 HB \_\_\_\_\_

SHORT TITLE: NMFA Public Projects SB 51/aSEC

ANALYST: Kehoe

### APPROPRIATION

Appropriation Contained		Estimated Additional Impact		Recurring or Non-Rec	Fund Affected
FY02	FY03	FY02	FY03		
	See narrative				PPRF

(Parenthesis ( ) Indicate Expenditure Decreases)

Duplicates/Relates to Appropriation in The General Appropriation Act \_\_\_\_\_

Relates to Senate Bill 50

### SOURCES OF INFORMATION

New Mexico Finance Authority (NMFA)  
LFC Files

### SUMMARY

#### Synopsis of SFC amendment

Senate Finance Committee amendments to Senate Bill 51 requests legislative authority for 27 additional statewide projects to be considered for loans from the Public Project Revolving Fund administered by NMFA.

#### Synopsis of Bill

Senate Bill 51 authorizes NMFA to provide loans to 136 governmental entities for 208 statewide capital projects from the Public Project Revolving Fund (PPRF). If an entity does not certify to NMFA by fiscal year 2005 of their desire to continue pursuing a loan from PPRF, the authorization will be void. The bill contains an emergency clause.

Significant Issues

Loans from the PPRF benefit eligible entities by allowing them to borrow for infrastructure projects at below market costs, based on terms and conditions established by NMFA. The authorization in Senate Bill 51 does not guarantee that those projects listed within the bill will receive an NMFA loan. Loans will be made to entities that can identify a sufficient revenue source for repayment of a loan, and are able to meet other financial criteria established by the Authority.

**FISCAL IMPLICATIONS**

**Senate Bill 51 does not appropriate funds. However, loans made during the interim reduces the loan and other program capacity of the PPRF.**

**RELATIONSHIP**

Senate Bill 50 authorizes NMFA to make grants to qualified entities from the Water and Wastewater Grant Fund administered by NMFA. If entities do not qualify for grants, Senate Bill 51 authorizes qualified entities to apply for loans with NMFA, or a combination thereof.

LMK/njw